California Farmland Conservancy Program Focus on Farmland

Newsletter of the CFCP Spring 2004

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This edition of Focus on Farmland features:

- 1,000+ acre Nicasio Valley ranch protected in Marin County
- agricultural land conservation publications available from Bay Area Open Space Council
- opportunities to partner CFCP and farmland loss mitigation funds, and
- the new four-county Central Valley Farmland Trust collaboration.

Read on!

Historic Nicasio Valley Ranch Protected by Marin Agricultural Land Trust



Rich Gallagher, owner the beef operation on the ranch and former owner of the property, and current landowner **Jim Moore** enjoy the beauty of the ranch, now protected forever.

The Marin Agricultural Land Trust (MALT) recently purchased an agricultural conservation easement on the 1,007-acre Nicasio Ranch, with help from a CFCP grant. The ranch is one of most productive grass ranches in the area and has a long history of dairy and beef cattle operations. An American flag flying from a rock outcropping on the ranch near the junction of Pt. Reyes-Petaluma Road and Nicasio Valley Road has been a familiar landmark to generations of passersby. The ranch's location at the north end of Nicasio Reservoir also provided a unique opportunity to protect two creeks that drain into the reservoir.

MALT purchased the easement for the appraised value of \$1.7 million. The CFCP contributed \$1 million, with the balance covered by contributions from MALT members and supporters. The CFCP's contribution toward this project was made through Proposition 12 bond funds, which contain a provision that 20% of the funds be made available to the five counties adjoining San Pablo Bay.

MALT, founded in 1980, was the first land trust in the country to focus exclusively on farmland preservation. MALT has used conservation easements to preserve 35,000 acres on 52 family

farms and ranches in Marin County from non-agricultural development. This is MALT's third easement project in the past year with CFCP. For more information about this project, contact Elisabeth Ptak, MALT, (415) 663-1158, or CFCP.

Four-County Central Valley Farmland Trust Formed

After months of hard work, four counties in the Central Valley have agreed to expand their capacity for agricultural land preservation by consolidating their experience and resources into what has become the Central Valley Farmland Trust.

The idea began to take shape after Ben Hulse, Community Development Director for San Joaquin County, requested a LEGACI grant from the Great Valley Center to initiate the formation of an agricultural land trust in that county. After some discussion with local farmers, who had met board members from neighboring county land trusts at the Great Valley Center's annual Land Trust Summit, the grant request was modified to explore a possible collaboration between four counties: Merced, Sacramento, and Stanislaus, in addition to San Joaquin.

As a group, the Merced County Farmland and Open Space Trust, the Sacramento Valley Ag Land Conservancy, the Stanislaus Farmland Trust and the San Joaquin Farmland Trust Steering Committee engaged land trust organizational consultant Marc Smiley to facilitate those discussions. In January 2004, the group agreed to merge their four county efforts into a four county regional land trust to be named the Central Valley Farmland Trust. Previously, the three existing land trusts had been functioning with varying degrees of success with part-time or volunteer work. In combining the assets for the four counties, including funding, their goal is to create a more sustainable and effective organization.

The Board of Directors is comprised primarily of growers and agricultural property owners, including representatives from all four counties, as follows: Linda Macedo, Maxwell Norton, Mike Tanner (Merced); Tim Byrd, Jeani Ferrari, Denny Jackman (Stanislaus); Don Bo, Markus Bokisch, Brad Lange (San Joaquin); Ken Oneto and Jim Perham (Sacramento). (One position from Sacramento county is still to be filled.) The new Trust seeks to hire a full-time Executive Director and will soon be conducting a search, with the goal of having that person on board by Fall of this year. For more information, contact a representative of the county of interest, or CFCP.

Bay Area Open Space Council Publishes Three Resources for Land Conservation Organizations

The Bay Area Open Space Council recently developed and published three resources for the benefit of the agricultural community, with assistance from a grant from the CFCP. The first is a workbook entitled "Monitoring Agricultural Easements", which describes the basic elements of stewardship and easement monitoring procedures, and highlights the roles and responsibilities of the monitoring coordinator. The workbook describes a wide range of options and strategies in order to meet the diverse purposes, sensibilities and types of easements that organizations may hold.

The second publication, "Understanding Organizational and Easement Stewardship Issues for Land Conservation Organizations", explores key elements of organizational capacity and stewardship that are important for land trusts and the organizations that support them.

The third handbook is entitled "Conserving Agricultural Land: Tools, Funding Organizations and Issues", and provides an overview of the most essential information necessary for creating conservation programs for agricultural lands. Broadly applicable, the handbook serves a wide audience of organizations and individuals looking for a primer on the tools and methods of resource conservation.

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The Bay Area Open Space Council is a collaborative program of public and non-profit agencies and organizations, providing regional leadership and expertise for the preservation and professional management of important open spaces in and around the cities of the San Francisco Bay Area. These publications may be downloaded at no cost directly from the Bay Area Open Space Council's website in Adobe .pdf format; http://www.openspacecouncil.org/Documents/. Alternatively, contact Darla Guenzler by email at Darla@openspacecouncil.org, or by telephone at (707) 469-0926.

CFCP & Mitigation Funds: Options to Decrease the Impact of Loss of Farmland

Local government jurisdictions are increasingly adopting measures that require conversion of important farmland to other uses to be mitigated. Such mitigation is typically achieved by requiring project proponents to protect comparable farmland using agricultural conservation easements. Alternatively, project proponents may be required to provide funding to a local jurisdiction, for purchase of agricultural conservation easements on farmland from willing sellers at a later time.

Such payments into a mitigation fund are generally based upon rough estimates of the cost of agricultural conservation easements, without specific information about actual costs. As with all real estate transactions, the costs of agricultural conservation easements are highly variable based upon location, timing, and other factors. As a result, mitigation fees may be inadequate to achieve the intended mitigation objectives, particularly in an appreciating real estate market.

The CFCP can help local entities seeking to operate local programs for mitigation of farmland loss in several ways.

- CFCP grant funds can be used to leverage local mitigation funds. For example, the size of a property targeted for conservation may be greater than that for which local funds are available. CFCP funding might assist in securing protection of the entire farm property, rather than only the portion necessary to achieve the immediate mitigation requirements.
- CFCP can receive and administer donated funds from outside sources, including funds required for mitigation. The contributing source may designate a county where funds are to be applied toward the purchase of agricultural conservation easements. In this case, the CFCP would review grant applications in a specified target area according to CFCP eligibility and selection criteria, and apply the mitigation funds to one or more suitable projects as they become available.
- CFCP may be able to assist with identification of appropriate conservation property in an area, as well as a qualified land trust or other easement holder.

Both locally collected mitigation funds or mitigation funds for larger, regional projects (possibly involving state agencies) can be administered by CFCP using this model. For example, if a highway construction project undertaken by CalTrans involves the loss of important farmland resources, the CFCP could coordinate with CalTrans to permanently protect farmland to partially mitigate that acreage converted or negatively impacted by the project.

The CFCP is interested in expanding the use of mitigation funding in its transactions. Please feel free to contact Charles Tyson at the CFCP with any questions regarding the potential use of CFCP to administer mitigation funds: (916) 324-0862 or charles.tyson@conservation.ca.gov.

In Brief:

Federal Farm and Ranch Lands Protection Program: Applications were submitted by May 3, 2004. Decisions may be made 60 days after that date. Applicants with questions should contact Jim Kocsis at the Natural Resources Conservation Service: jim.kocsis@ca.usda.gov or (530) 792-5605.

CFCP funding update: The Governor's proposed Budget for Fiscal Year 2004-05 was released in January 2004, subject to an update traditionally known as the "May Revise". The May Revise included \$12 million in funding for the CFCP, from Proposition 40 bond funds, for the 2004-05 fiscal year. Both the Governor and the Legislature must ultimately agree upon the final amount to be allocated to CFCP. CFCP received \$10 million in grant funding from Proposition 40 during the current 2003-04 Fiscal Year, and continues to allocate grant funds from this source.

Annual Monitoring Reports Due to CFCP by June 30^{th:} For organizations holding easements acquired with CFCP funding, annual monitoring reports are due by June 30th. Reports can be in the format of a one-page letter. For specifics, see the last edition of Focus on Farmland at www.conservation.ca.gov/dlrp/cfcp/, and the requirements included in your easement(s).

We hope you've found this issue of *Focus on Farmland* useful and informative. Please contact us with any questions or ideas you have for future editions. Feel free to forward this email to other interested parties.

If you wish to be added or removed from this mailing list, please reply to cfcp@consrv.ca.gov.

California Farmland Conservancy Program

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